

U.S. BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI
FILED

NOV 22 2005

CHARLENE J. KENNEDY, CLERK
BY _____ DEPUTY

November 21, 2005

Judge Edward Ellington:

My name is Larry Russell, and I am co-owner of Daleson Enterprise, LLC dba Jones County Rest Home. Our attorney is Craig Geno. Our company is in bankruptcy court. It is my understanding that we will have a hearing Wednesday, November 21, 2005. I also understand that this hearing is to decide if we can continue to lease the building from Jones County Rest Home until our new building is completed. I would like to share the following information with you. I will also give Mr. Geno a copy of what I sent to you. I would appreciate it if you would look at this information before you make a decision. The county not only wants us out of their building but also thinks they can take over the business.

Thank you.


Larry Russell

A3

JONES COUNTY

Dial responds to Jones County Rest Home rumors

To the Leader-Call

Andy Dial, president of the Jones County Board of Supervisors, responded today to rumors that Jones County Rest Home in Ellisville would close at the end of the year. Dial said that the board of supervisors was negotiating with another operator for the county-owned facility.

Dial also stated that the current operator has been leasing Jones County Rest Home under a five-year lease agreement that expires Dec. 31, 2005. The current operator filed for bankruptcy protection earlier this year. For various reasons, the board has decided to lease to a new operator. South Central

Regional Medical Center, once the lease has expired.

"We have had discussions with Mr. Larry Fortenberry, one of the partners of Dale-son, in the past, and we have evaluated the circumstances and made a decision that it is in the best interest of the county to seek another operator," said Dial. "Toward that end, we have had preliminary discussions with South Central Regional Medical Center, which currently owns and operates Comfort Care Nursing Center in Laurel, South Central, which is county-owned, has operated Comfort Care Nursing Center for more than 10 years, and we have been pleased with their operations. We believe that after evaluating all the



Andy Dial

facts that South Central is the best choice for our citizens."

Jones County Rest Home was established in

the 1950s as a nursing home for Jones County residents on county-owned property. Dial stated that the supervisors have not concluded the arrangements with the hospital, but he was aware that the board of trustees at the hospital was supportive of working with the county to begin operating Jones County Rest Home effective Jan. 1, 2006. He said he felt final

arrangements could be worked out very soon.

Dial went on to say that the primary interest of the supervisors was the safety, health and well-being of the residents.

"The rest home was established to make sure our elderly citizens had a place to go, and we believe stability is very important," said Dial. "We believe the hospital can offer that stability."

In response to questions about the status of the current employees, Dial said, "I believe all current employees of the rest home will be afforded the opportunity to be employed by the new operator. Obviously, South Central will need staff to care for the residents."

Andy Dial

This letter is concerning Jones County Rest Home. My name is Winifred Ann Collins room #29- A. I'm also President of the Resident Council. This article you had in the Laurel Leader Call made me sad and mad. Some of the older people cried because, they thought you were going to put them out. As I read the article, I thought, how does he known OUR HOME is unstable. I've been here 3 year and 2 months and I've never seen this man not even during Katrina or any other Supervisor. Mr. Dial I'm sending you this letter because I don't want this all in the paper, why didn't you come and ask us how we felt before putting this in the paper. This is what I call Dirty Politics.

If this continues we will get a petition, so Mr. Larry Fortenberry and Mr. Larry Russell can have this building on monthly lease until the new building is built.

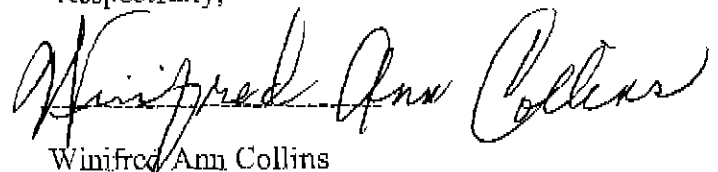
I'd like to tell you about Mr. Fortenberry and Mr. Russell, they were here at 3am on Tuesday 8/30/05 an didn't go home until the next Monday. They did everything mopped, sweep, moved beds, got supplies, and fixed it so employees could get gas. He paid the employees one day early and gave each of them \$200.00 cash, because the banks weren't open. So, if you want to talk to any of our residents, please do so, because we've never been treated better.

Our staff here is very sweet to us. We all know were #1 with each one of the staff and we love all the staff here.

P.S.

My phone number is 477-8749 call any time.

Respectfully,


Winifred Ann Collins

Andy Dial,

This letter is concerning Jones County Rest Home. My Name is Winifred Ann Collins Room 29-A I'm also President of the Resident Council.

This article you had in the Laurel Leader Call made me sad and mad. Some of the older people cried because they thought you were going to put them out.

As I read the article, I thought, how does he know our home is unstable. I've been here 3 years and 2 months and I've never seen this man. Not even during Katrina or any other Supervisor.

Mr Dial I'm sending you this letter because I don't want this all in the paper. Why didn't you come and ask us how we felt before putting in the paper. This is what I call Dirty Politics.

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Fortmeherry and Mr. Harry Russel.
Can have this building on monthly
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and gave each one 200⁰⁰ Cash
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So, if you want to talk
to any of our Residents, please
do so. Because we've never
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Our staff ~~have~~ are very
sweet to us. We all know
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people.

P.S.
My Phone # 477-8749 • Call any
time.

Respectfully,

Theresa Ann Collins

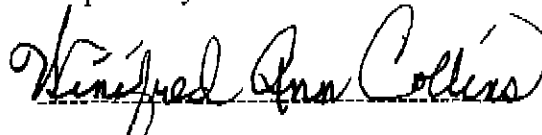
Dear Judge Edward Ellington

This letter is to respectfully request that you please allow us to remain under our present management with Mr. Fortenberry and Mr. Russell.

As president of the Jones County Rest Home Resident Council, I speak on behalf of each Resident when I ask you to please allow the present owners to pay monthly rent until they can complete our new facility.

May I add that we have all been so excited about having a beautiful new facility to move into with staff and management that have provided such good care for us over the years

Respectfully Your

A handwritten signature in cursive script that reads "Winifred Ann Collins". The signature is written in dark ink and is positioned above the printed name.

Winifred Ann Collins

Dear Sir

this letter is to Respectfully request that you please allow us to remain under our present Management with Mr. Fortenberry and Mr. Russell.

As president of The Jones County Rest Home Resident Council, I speak on behalf of each Resident when I ask you to please allow the present owners to pay Monthly Rent until they can complete our new Facility.

May I add that we have all been so excited about ~~being~~ having a beautiful new facility to move into with staff and Management that have provided such good care for us over the years.

Respectfully Yours,
Winifred Ann Collins

WINIFRED ANN COLLINS

Dear Judge Edward Ellington

My name is Violet Smith. I am 85 years old. I am a Resident at Jones County Rest Home. I have been excited about getting a new home, and sadden that there is a chance we may be under the ownership of the County. I prefer to remain as we are now. I do not want any one from the county to come in an review my files.

Sincerely yofir,

Violet Smith

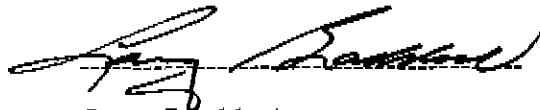
Violet Smith

Dear Judge Edward Ellington

Thank you for the opportunity to submit this letter on behalf of Jones County Nursing Home. I would recommend that Jones County Rest Home be allowed to pay monthly rent until their new facility is built, given that it is done in a certain amount of time. This would allow the Residents to stay in the environment that they are accustomed to. The staff of Jones County Rest Home does an excellent job in taking care of Resident needs, both physically and emotionally. Sudden change could create a stressful feeling for the residents, because they are at an age where change is not good.

Change could also create hardships for family members in seeing after their loved ones who are residents. Families are very comfortable with the rules and regulations of Jones County Rest Home. They are also well satisfied with the way their love ones are cared for by the staff and administration. Again I will say, Jones County Rest Home should be allowed to pay monthly rent to Jones County until their new facility is built

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Braddock", written over a horizontal line.

Larry Braddock

President of Resident Family Council

Nov. 15, 2005

DEAR SIR: } Judge Edward Clington

Thank you for the opportunity to submit this letter on behalf of Jones County Nursing Home.

I would recommend that Jones County Rest Home be allowed to pay monthly rent until their new facility is built, given that it is done in a certain amount of time. This would allow the residents to stay in the environment that they are accustomed to. The staff of Jones County Rest Home does an excellent job in taking care of resident needs, both physically + emotionally. Sudden change ~~for people of this age (residents)~~, could create a stressful feeling for the residents, because they are at an age where change is not good.

Change could also create hardships for family members in seeing after their loved ones who are residents. Families are very comfortable with rules + regulations of Jones County Rest Home. They are also well satisfied with the way their ~~loved~~^{love} ones are cared for by the staff + administration.

Again, I will say, Jones County Rest Home should be allowed to pay monthly rent to Jones County until their new facility is built.

Sincerely

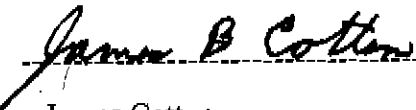
Harry Badstone
President of Resident Family Council.

Dear Judge Edward Ellington

My wife has been a Resident at Jones County Rest Home since March 23, 1995. I am very satisfied with the present staff, management and owners of this facility. I visit the nursing home everyday staying for several hours.

I request that the present owners be allowed to continue their ownership of this business, and be allowed to pay monthly rent until the new facility can be built on a timely basis.

Sincerely Your


James Cotton

November 17, 2005

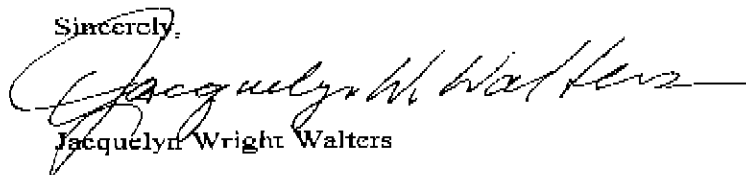
TO WHOM IT MAY CONCERN:

My mother, Elizabeth Wright, has been a resident of Jones County Rest Home since November, 2001. I have been extremely pleased with the staff, the doctors and the care and cooperation they have offered to my mother and to me.

I would like for my mother to stay on at the Rest Home on a month by month basis until the new facility is ready. At time she will be moved with the new facility and the new staff.

Should you have any questions, please give me a call.

Sincerely,

A handwritten signature in cursive script, reading "Jacquelyn Wright Walters", followed by a horizontal line.

Jacquelyn Wright Walters

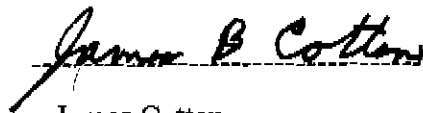
JWW/nt

Dear Judge Edward Ellington

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I request that the present owners be allowed to continue their ownership of this business, and be allowed to pay monthly rent until the new facility can be built on a timely basis.

Sincerely Your


James Cotton

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I am very satisfied with the present staff, management and owners of this facility. I visit the nursing home everyday staying for several hours.

I request that the present owners be allowed to continue their ownership of this business, and be allowed to pay monthly rent until the new facility can be built on a timely basis.

Sincerely yours

James B Cotton

Dear Judge Edward Ellington

My name is J.D. Welborn. My wife Sue Welborn has been living at this Nursing home since June 22, 2004. I want my wife to remain under the care of the present owners. I also would like for her to be able to remain in the same location until the present owners can build the new facility. I am satisfied with the present owners and staff.

Sincerely,

A handwritten signature in cursive script, appearing to read "J.D. Welborn", written over a horizontal dashed line.

J.D. Welborn

Dear Sus,

My name is J. D. Welborn.
My wife Sue Welborn has been
living at this Nursing home since
June 22, 2004.

I want my wife to remain under the
care of the present owners.

I also would like for her to be able
to remain in the ^{same} ~~present~~ location until
the present owners can build the new
facility.

I am satisfied with the present
owners and staff

Sincerely,

J D Welborn

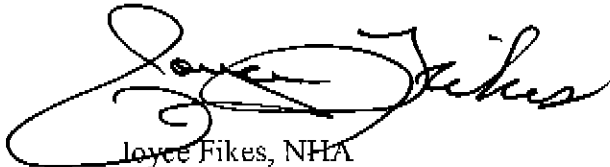
Judge Edward Ellington:

I have been employed at Jones County Rest Home since September 1999. I became the administrator on July 1, 2002. Prior to receiving my nursing home administrator's license, I worked directly under the supervision of Mr. Larry Fortenberry. It was with his support and encouragement that I sought my administrator's license. Therefore, I can personally attest that Mr. Fortenberry is a caring individual whose ultimate goal is to provide the highest quality of care to the elderly population. To this end, Mr. Fortenberry has dedicated his time and energy for numerous years to the long-term care industry.

Southern Healthcare Services strives to provide management services for Jones County Rest Home that enables and empowers the staff to provide the highest quality healthcare in a caring, homelike environment. This is evident in the practices, policies, and systems that SHS has enacted. Contrary to Mr. Andy Dial's statement in the Laurel Leader Call newspaper article, the board of supervisors has never shown, to my knowledge, any interest in the welfare of the Residents of JCRH. In fact, since my employment at JCRH, I have met with Mr. Dial once and the topic of that meeting was the needed repairs of the street in front of the facility. At no time has any supervisor of Jones County expressed any concern or interest to me about the safety, health, or well-being of the Residents.

My opinion about Mr. Fortenberry and Mr. Russell are not totally bias because I am employed by Southern Healthcare Services. My opinion is based on the fact that SHS has always gone over and beyond to provided the means for meeting the needs of our elderly. And I have no doubt that, if given the opportunity, SHS will continue to do the same for many years to come. I have not seen any evidence that the Jones County Board of Supervisors nor South Central Regional Medical Center would ever be committed to conduct business in this manner. It is for this reason I respectfully request that Southern Healthcare Services be granted the privilege to continue to provide the management services and ownership of Jones County Rest Home. I also respectfully request that the Jones County Board of Supervisors allow Daleson Enterprises to lease the current occupied building on a month to month basis until a new facility can be constructed. Furthermore, I respectfully denied the Jones County Board of Supervisors and/or South Central Regional Medical Center access to my personnel records currently in possession of Jones County Rest Home.

Sincerely,



Joeyce Fikes, NHA

To Whom It May Concern:

I have only been employed by Southern Healthcare Services since May of 2005. In that short time, I have been continuously impressed that this is one company whose bottom line is not money, but the resident first, always, and then the staff.

During Hurricane Katrina, I and a portion of the staff here left our families at home and rode the storm out with the residents. No one could have foreseen the severity of the damage, but here we were effectively stranded with no hope of assistance, no communication with the outside world, and no idea how we were going to get supplies. My only consolation was that, this being a county owned building, surely the county supervisors would send someone to check on us. It NEVER happened.

What did happen was that at 3:00 a.m. the morning following the storm, Larry Russell arrived. (He must have been trying ever since the storm let up, because none of us had been able to get out, and no one had been able to get in.) At first light, Larry Fortenberry arrived. The two of them immediately went out and started bringing in supplies for the residents as well as the staff. They mopped floors, moved beds, whatever was needed, they did it. When staff members and their families would show up hungry, tired, and thirsty, Larry and Larry saw that they were fed, had food and water to take home, and somewhere to rest. They came and sat and just talked to the residents, which meant so much, as we were all scared.

Now, almost three months since that terrible disaster, I still haven't seen our county supervisor or his representatives at this facility. Southern Healthcare Services went above and beyond during aftermath of Katrina, for residents and staff. They even gathered and delivered supplies to other facilities in the area (not owned by Southern Healthcare) and to some individuals.

I've always felt like I try to be a loyal employee, wherever I work. This is the first company that has ever truly earned my loyalty and respect in such a manner.

Thank You,

A handwritten signature in black ink, appearing to read "Mark Robertson". The signature is fluid and cursive, with a long horizontal stroke at the end.

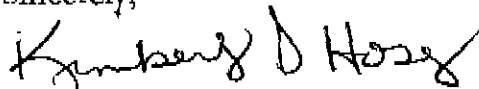
Mark Robertson, RN
Director of Nursing

November 15, 2005

To Honorable Judge Edward Ellington:

I, Kim Hosey have been employed at Jones County Rest Home since 1998. I would just like to say that I started as a C.N.A., but Mr. Fortenberry and Mr. Russell gave me the opportunity that would not necessarily be granted to many to become the Activity Director for the facility and I have proudly worked for them in that capacity for the past five years-that's the business side -this is the personal side. We all have our "Katrina" stories, but here is mine I really don't know too many business owners that would load up a van of food and water for there employees. Well they did. My family and I had run out of water, the stores were still closed, and gas was scarce. Mr. Fortenberry and Mr. Russell loaded my van and gave me enough food for several days "you are our family" are the words I remembering them saying. So, in closing I am asking that you please allow Daleson Enterprises to remain the management company of Jones County Rest Home and allow us to remain in this facility until our new building is built.

Sincerely,

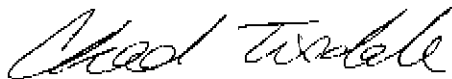
A handwritten signature in black ink, appearing to read "Kimberly S. Hosey". The signature is fluid and cursive, with the first name being the most prominent.

Kimberly S. Hosey

My name is Chad Tisdale. I am currently employed as a registered nurse at Jones County Rest Home. I worked eight years for the home and decided on a change. I left in August, 2004 to pursue other fields. After eleven months of hospice work I realized my place is at Jones County Rest Home. I returned because I love the way I can touch not only the resident's lives here but also the family members I come in contact with. I have always been pleased with the ownership and the way business has been conducted

During the aftermath of hurricane Katrina the owners, Mr. Fortenberry and Mr. Russell, were here to assist in any way they could. They made sure that not only the residents had food and water but their employees that needed food and water were provided for.

I, along with numerous other employees, was here for two and a half days straight after the storm and the majority of the following six days. At no time did any county supervisor or their employees come to check on the residents.

A handwritten signature in cursive script that reads "Chad Tisdale". The signature is written in dark ink and is positioned above the printed name.

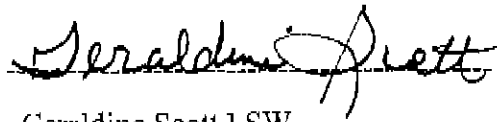
Chad Tisdale

Dear Judge Edward Ellington

I am a Resident of Jones County. And I have had the privilege of working for Jones County Rest Home for the past 22 years as the Social Services Director. I have been employed by some very caring owners in the past Mr. Fortenberry and Mr. Russell have continued, and in some areas exceeded this tradition. As advocate for the residents, I have personally witnessed their joy at the prospect of having a new home to move in to. I have watched as the resident council wrote up suggestions for the new facility and I was pleased as the present owners listened and promise that they too would have a state of the art home to live in.

The alert Residents and their families understand that they will not be thrown out on the street come December 2005. Their desire is simply to remain under the management of the present owners and be allowed to remain in this building only until the new facility can be built.

Sincerely Your,

A handwritten signature in cursive script, appearing to read "Geraldine Scott".

Geraldine Scott LSW

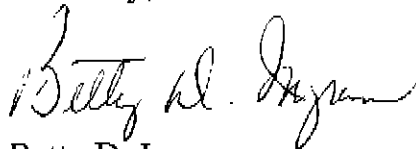
Social Services Director

November 17, 2005

Dear Judge Edward Ellington:

I am the Office Manager for Jones County Rest Home and have been employed here since January 5, 1982. During these almost twenty-four years I have worked for some very caring people and the working conditions have been excellent. As Residents have come and gone they have received the very best of care and we would love to be able to continue with Daleson Enterprise to provide these same excellent care services. It is my desire to be able to stay at this location only until our new facility is completed. The alert Residents and families are very excited about a new facility being constructed for them, a place to move into and call home.

Sincerely,

A handwritten signature in cursive script, appearing to read "Betty D. Ingram".

Betty D. Ingram
Office Manager

November 17, 2005

To Whom It May Concern:

I, Debbie Lambert, have worked at Jones County Rest Home for more than 20 years. The voters of Jones County that I have talked with say we should stay right here until we get in our new home. If the supervisors were so concerned about our residents, why did he not come to the rest home or call to see about us or the residents after the hurricane? All of our residents want to stay right here until we get in our new home. Mr. Larry Russell and Mr. Larry Fortenberry were here to see that our residents were ok and that they had all that they needed. We were without lights and water but together we took care of our residents because we all care. The supervisors did not one thing to help us. Mr. Russell and Mr. Fortenberry made sure that everyone had plenty of food, water, and the supplies we needed to take care of our residents. Thanks to them and some friends and family, we made it and took good care of all our residents. Hopefully, we will get to stay here with our residents until we can get in our new home. I think our residents should be assured that they can stay here until then.

Sincerely,

Debbie Lambert

NURSES' NOTES

DATE

To Whom it May concern:
 I Debbie Lambert have worked at Jones County for more than 20 years. The Voters of Jones County that I have talked with say we should stay wright here till we get in our new home. The Supervisor was so concerned about our residents he did not come to the rest home or call to see about us or the residents. All of our residents want to stay wright here till we get in our new home. Mrs. Joyce Fikes and Larry Furlenberg was here to see that our residents was ok and that they had all that they needed. We was with out lights and water but all of us took care of our residents because we all care. But the Supervisor did not one thing to help us. Mrs. Joyce and Larry seen that we all had food, water, the supplies we needed to take care of our residents. Thanks to them and some friends and relatives we made it and took good care of all our residents. Hopefully we will get to stay here with our residents till we can get in our new home. I think our residents should be assured that they can stay here till then.

Resident's Name _____

Resident No. _____

Room No. _____

Physician _____

Month _____

Year _____

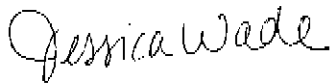
Printed in USA

November 17, 2005

Dear Judge Edward Ellington,

My name is Jessica Wade and I am the office assistant at Jones County Rest Home. I have only been employed with Jones County Rest Home since March of 2005, but it has been more than enough time to be impressed. During Hurricane Katrina and the days that followed Mr. Fortenberry and Mr. Russell went above and beyond their duties. They were here for days straight sleeping on the floor, doing whatever they could to help the residents and staff. They were feeding residents, passing trays and changing beds. Still with no power, on the Thursday that followed, they brought everyone's paycheck that included part check and part cash since the banks were still closed. Mr. Fortenberry and Mr. Russell made sure that not only the residents but the staff as well had plenty of food and water. They did not do this because they had to; they did it because they truly care. The residents and their families are pleased with the care that has been delivered to them and are really excited about having a new facility to live in. We respectfully request that Daleson Enterprises be allowed to remain the management company of Jones County Rest Home until our new facility is completed.

Sincerely,

A handwritten signature in cursive script that reads "Jessica Wade".

Jessica Wade
Office Assistant

TO WHOM IT MAY CONCERN:

I HAVE WORKED AT JONES COUNTY REST HOME FOR TWO YEARS. IF IT WERE LEFT UP TO ME I WOULD NEVER CHANGE JOBS. I ENJOY EVER MOMENT I SPEND WITH MY RESIDENTS HERE. NOT EVERYONE AGREES THAT PLACING A FAMILY MEMBER IN A REST HOME IS THE RIGHT CHOICE. ME PERSONALLY, I HAVE FAMILY MEMBERS AT THIS REST HOME. MY GRANDFATHER STAYED HERE DURING HIS RECOVERY FROM SURGERY. SO THEREFORE, MY OPINION IS THAT IT IS A WONDERFUL PLACE FOR A LOVED ONE TO GET THE CARE THEY NEED AND DESERVE. DURING AND AFTER THE HURRICANE, OUR EMPLOYEES AND THE CURRENT OWNERS PULLED TOGETHER LIKE A TEAM. NOT ONLY DID THEY MAKE SURE ALL THE RESIDENTS HAD WHAT THEY NEEDED, BUT ALSO THE EMPLOYEES WERE WELL TAKEN CARE OF. THEY DONATED FOOD, WATER, AND OTHER SUPPLIES FOR OUR FAMILIES. I KNOW IT MEANT SO MUCH TO MY FAMILY AND I. THE RESIDENTS ARE LOOKING FORWARD TO THE NEW FACILITY THAT IS IN PROCESS. WHY WOULD ANYONE WANT TO TAKE THAT AWAY FROM THEM ? JUST THINK, WHAT IF YOU WERE IN THEIR POSITION, HOW WOULD IT MAKE YOU FEEL?? THANKS FOR YOUR TIME.

CARMEN D. BROWNLEE LPN

Carmen D Brownlee LPN